

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE NOTICE OF PURCHASED)	
GAS ADJUSTMENT FILING OF)	CASE NO. 9318-E
AUXIER ROAD GAS COMPANY, INC.)	

O R D E R

On December 20, 1985, the Commission issued its Order in Case No. 9318 approving certain adjustments in rates and providing under certain conditions for the further adjustment of such rates when the wholesale cost of gas is increased or decreased or a refund is received.

On August 26, 1987, Auxier Road Gas Company, Inc., ("Auxier") notified the Commission that its wholesale cost of gas had been decreased by its supplier, Columbia Gas of Kentucky, Inc., ("Columbia") effective September 1, 1987, and submitted with its notice certain information in compliance with its purchased gas adjustment clause on file with this Commission.

After reviewing the record in this case and being advised, the Commission is of the opinion and finds that:

(1) Auxier's notice of August 26, 1987, set out certain revisions in rates which Auxier proposed to place into effect, said rates being designed to pass on the wholesale decrease in price from its supplier in the amount of \$25,249 or 42.76 cents per Mcf.

(2) Auxier's wholesale cost of gas was decreased by Columbia effective September 1, 1987.

(3) Auxier's proposed rates were calculated by subtracting the amount of the decrease from rates based on those approved in Case No. 8768-P rather than from the rates approved in the Commission's Order of December 20, 1985, in Case No. 9318. Auxier has appealed the Order in Case No. 9318 to the Franklin Circuit Court and obtained a temporary injunction prohibiting the enforcement of the Commission approved rates. Consequently, the rates proposed should be approved, subject to refund, pending a final decision of the Franklin Circuit Court in Case No. 9318.

(4) Auxier's proposed adjustment in rates under the purchased gas adjustment provisions approved by the Commission in its Order in Case No. 9318 dated December 20, 1985, is fair, just, and reasonable and in the public interest and should be effective with gas supplied on and after September 1, 1987, subject to refund.

IT IS THEREFORE ORDERED that:

(1) The rates in the Appendix to this Order be and they hereby are authorized effective with gas supplied on and after September 1, 1987, subject to refund.

(2) Within 30 days of the date of this Order Auxier shall file with this Commission its revised tariffs setting out the rates authorized herein.

Done at Frankfort, Kentucky, this 3rd day of September, 1987.

PUBLIC SERVICE COMMISSION

Richard D. Herman, Jr.
Chairman

Paul H. [unclear]
Vice Chairman

James M. Williams
Commissioner

ATTEST:

Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 9318-E DATED 9/03/87

The following rates and charges are prescribed for the customers served by Auxier Road Gas Company, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

RATES: Monthly

First	1,000 Cu.Ft.	\$8.67
All Over	1,000 Cu.Ft.	7.8909 per 1,000 Cu.Ft.

MINIMUM BILL

8.67

The base rate for the future application of the purchased gas adjustment clause of Auxier Road Gas Company, Inc., shall be:

Commodity

Columbia Gas of Kentucky, Inc. \$3.5939 per Mcf